

PCTWORLD INTELLECTUAL PROPERTY ORGANIZATION
International Bureau

INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(51) International Patent Classification ⁵ : G07C 15/00	A2	(11) International Publication Number: WO 91/20061 (43) International Publication Date: 26 December 1991 (26.12.91)
(21) International Application Number: PCT/US91/00975 (22) International Filing Date: 13 February 1991 (13.02.91) (30) Priority data: 537,141 13 June 1990 (13.06.90) US (71)(72) Applicant and Inventor: NILSSEN, Ole, K. [US/US]; 200 North Harrison Street, Algonquin, IL 60102 (US). (74) Agent: PETERSON, Thomas, F.; Ladas & Parry, 224 S. Michigan Avenue, Chicago, IL 60604 (US). (81) Designated States: AT, AT (European patent), AU, BB, BE (European patent), BF (OAPI patent), BG, BJ (OAPI pa- tent), BR, CA, CF (OAPI patent), CG (OAPI patent), CH, CH (European patent), CM (OAPI patent), DE, DE (European patent), DK, DK (European patent), ES, ES (European patent), FI, FR (European patent), GA (OA- PI patent), GB, GB (European patent), GR (European patent), HU, IT (European patent), JP, KP, KR, LK, LU, LU (European patent), MC, MG, ML (OAPI patent), MR (OAPI patent), MW, NL, NL (European patent), NO, PL, RO, SD, SE, SE (European patent), SN (OAPI patent), SU, TD (OAPI patent), TG (OAPI patent).		Published <i>With declaration under Article 17(2)(a). Without abstract; title not checked by the International Searching Authority.</i>
(54) Title: FINANCIAL SERVICES SYSTEM		

FOR THE PURPOSES OF INFORMATION ONLY

Codes used to identify States party to the PCT on the front pages of pamphlets publishing international applications under the PCT.

AT	Austria	ES	Spain	MG	Madagascar
AU	Australia	FI	Finland	ML	Mali
BB	Barbados	FR	France	MN	Mongolia
BE	Belgium	GA	Gabon	MR	Mauritania
BF	Burkina Faso	GB	United Kingdom	MW	Malawi
BG	Bulgaria	GN	Guinea	NL	Netherlands
BJ	Benin	GR	Greece	NO	Norway
BR	Brazil	HU	Hungary	PL	Poland
CA	Canada	IT	Italy	RO	Romania
CF	Central African Republic	JP	Japan	SD	Sudan
CG	Congo	KP	Democratic People's Republic of Korea	SE	Sweden
CH	Switzerland	KR	Republic of Korea	SN	Senegal
CI	Côte d'Ivoire	LI	Liechtenstein	SU	Soviet Union
CM	Cameroon	LK	Sri Lanka	TD	Chad
CS	Czechoslovakia	LU	Luxembourg	TC	Togo
DE	Germany	MC	Monaco	US	United States of America
DK	Denmark				

financial services system.

Background of the Invention

Field of the Invention

This invention relates to financial certificates and means for making such certificates more valuable to the holders thereof.

Description of Prior Art

Monetary certificates (e.g. bank drafts or checks, dollar bills, etc.), merchandise (e.g. gift) certificates, travelers checks, etc. constitute familiar financial instruments. For instance, a person desiring to purchase monetary certificates of a given type (such as the currency of a foreign country) and/or travelers checks, simply goes to the local bank and purchases the desired monetary certificates and/or travelers checks.

The business of issuing financial certificates is a profitable one for the issuing entity. This is so for the main reason that, on the average, the issued financial certificates remain unredeemed for a substantial period of time; during which time the issuing agency derives interest income from the money having been tendered for the issued but not-yet-redeemed certificates. For instance, with respect to travelers checks, American Express Company of New York, NY reportedly carries an average float of several billion dollars resulting from issued but as-yet-unredeemed travelers checks. At an interest rate of 10% p.a., a profit of several hundred million dollars per year is indicated.

Summary of the Invention

Identification/Definition of Certain Basic Facts and Terms

Dollar bills, foreign currency bills, bank drafts, ordinary (personal) checks, travelers checks, stock certificates, bonds, merchandise gift certificates, etc. represent various forms of financial instruments; and, to the extent they are represented by a certificate means, they may all be considered as various forms of financial instruments (i.e. money-equivalent certificates. Some

of these financial instruments provide for earnings (e.g. interest from bonds or dividends from stock certificates), others (e.g. dollar bills, travelers checks, gift certificates) do not.

Brief Description of a First Embodiment of the Invention

In a first preferred embodiment of the present invention, a financial institution (e.g. a bank) issues a large number of uniquely coded travelers checks to various individual entities in exchange for values received. Each travelers check is identified as representing a specific monetary value. The holder of each travelers check is entitled to receive a certain average rate of income from the dollar value represented by that check; which average rate of income would be proportional to prevailing interest rate as well as to the dollar value represented by the check.

To avoid the relatively high transaction costs associated with periodic payments of a relatively modest amount of income to the holders of each of the numerous uniquely coded travelers checks, a statistical method is used. By way of this statistical method, a relatively few travelers checks are randomly chosen at the end of each of a sequence of time periods, and all the income attributable to all the issued travelers checks for the associated time period is then paid to the holders of the relatively few travelers checks chosen for that time period. That way, each holder of a travelers check will, on an average or probabilistic basis, receive an income from that check. Thus, a travelers check becomes a much more attractive financial instrument: attractive to hold for the relatively high probabilistic yield as well as for the convenience generally associated with a travelers check.

More particularly, subject travelers checks and system comprise the following key steps and component parts:

(1) a central issuing entity operative, in return for value received, to issue to each of various individual entities a number of uniquely coded travelers checks, thereby in total having issued a large number of such checks;

(2) a utilization entity functionally connected with the central central issuing entity and operative to utilize the values received by this central issuing entity and to generate a rate

of income of additional values, this rate of income cumulating and providing for a disbursement fund; and

(3) a random-choice and disbursement entity functionally connected with the central issuing entity, the utilization entity, and the various individual entities, the random-choice and disbursement entity being operative for each of plural time periods to randomly choose one of the large number of uniquely coded travelers checks and to make a relatively large disbursement from the disbursement fund to the individual entity holding the chosen check.

Brief Description of a Second Embodiment of the Invention

In a second preferred embodiment of the present invention, uniquely coded merchandise certificates are issued; which merchandise certificates are backed by merchandise (e.g., in effect, by a basket of pre-defined always-kept-current merchandise inventory) and/or services (e.g. by the delivery-capability of a pre-defined amount and type of services); thereby providing a certificate means that would be totally inflation-proof. Also, the equivalent of real interest on real money would be provided in the form of periodic lottery-like drawings and payments of dividend-prices to a selected few of the holders of these uniquely coded merchandise certificates -- in manner analogous to that described above in connection with travelers checks.

Brief Description of a Third Embodiment of the Invention

In a third preferred embodiment of the present invention, certain travelers checks and/or special monetary certificates are denominated in a special new monetary unit (defined for this particular purpose) which is backed by a pre-defined basket of income-generating financial instruments (such as corporate stocks and/or bonds, government and/or municipal bonds, etc.), in which case the dollar-denominated exchange rate will vary in accordance with the variations in value of the underlying basket of financial instruments. Thus, in general, the dollar exchange rate for a given travelers check would increase over time -- anticipatedly at an average rate higher than that associated with inflation.

Brief Description of the Drawings

Fig. 1 diagrammatically illustrates the first preferred embodiment of the invention; which particular embodiment pertains to special travelers checks and the associated process and system.

Fig. 2 diagrammatically illustrates the second preferred embodiment; which particular embodiment pertains to special merchandise certificates and the associated process and system.

Fig. 3 diagrammatically illustrates the third preferred embodiment; which particular embodiment pertains to special monetary certificates and the associated process and system.

Synopsis of the Generic Invention and the Claims

The invention herein disclosed may generically be described as a system for providing and servicing a certain new type of Financial Certificates which are backed by certain specific types of broad-based inflation-proof and/or productive values or assets. In some embodiments, these assets are represented by income-generating financial certificates, such as dividend-paying shares of capital stock in various productive corporations; in other embodiments, these assets are represented by a basket or collection of steadily updated merchandise. In some embodiments, the Financial Certificates are provided in the form of so-called bearer certificates; in other embodiments, they are provided in the form of certificates identified as belonging to particular individual entities. In some embodiments, dividends in one form or another is paid to the holders of each Financial Certificate: (i) in some cases via a statistical mechanism functional to provide to each holder of such a type of Financial Certificate a repeating chance to win a substantial sum of money-equivalent values (which type Financial Certificate then additionally serves the function of a lottery ticket); and (ii) in other cases via a mechanism whereby the assets backing each Financial Certificate effectively grows in value over time, thereby causing the exchange rate between such a Financial Certificate and an ordinary national currency unit (e.g. dollar) to change over time in a manner favorable to the holder of such a Financial Certificate. In some embodiments, yet additional and/or other functional features are provided for, such

as a travelers check feature and/or a monetary function feature whereby the Financial Certificate performs the near-equivalent function of an ordinary monetary unit (e.g. a U.S. dollar bill or some other national currency unit).

Claims 1-13 and 70-72 are most directly interpreted on basis of the third preferred embodiment, as illustrated by Fig. 3.

Claims 14-31 are most directly interpreted on basis of the second preferred embodiment, as illustrated by Fig. 2.

Claims 32-69 are most directly interpreted on basis of the first preferred embodiment, as illustrated by Fig. 1.

Description of the First Preferred Embodiment

Details of Construction

Fig. 1 is a combination systems-process diagram that illustrates the system operative to effectuate the process of the first preferred embodiment of the present invention; which first preferred embodiment pertains to travelers checks.

In Fig. 1, numerous individual entities are identified as IE1, IE2 ... IEx ... IEn; each of which numerous individual entities -- at one time or another -- is operationally connected with a check-issuing entity CIE as well as with a statistical disbursing entity SDE. The check-issuing entity CIE is operationally connected with an income-generating entity IGE and a utilization entity UI as well as with the statistical disbursing entity SDE. Check-issuing entity CIE and/or statistical disbursing entity SDE preferably include electronic computer means operative to effectuate the various indicated computational operations.

Details of Operation

Numerous individual entities (IE1/IE2/IEx/IEn) will, at one time or another, interact with the check-issuing entity CIE in such manner as to convey to it one or more units of value in exchange for one or more uniquely coded travelers checks. Each such uniquely coded travelers check is identified in a manner that reflects the amount of value for which it was exchanged.

The check-issuing entity CIE keeps account of all the uniquely coded travelers checks exchanged by it in return for values received from the various individual entities; and transmits information with respect to key characteristics of these travelers checks, such as identification code and value denominations, to the statistical disbursing entity SDE.

The check-issuing entity CIE conveys to the utilization entity UE the values it has received in exchange for travelers checks; while it receives a flow of income from the income-generating entity IGE. At least part of this flow of income is conveyed to the statistical disbursing entity SDE to be placed into a disbursement fund.

Periodically and repeatedly, preferably once each week, the statistical disbursing entity SDE randomly selects the identification codes of a relatively few of the numerous issued travelers checks and accredits each chosen identification code with a substantial amount of funds from the disbursement fund. Thereafter, the statistical disbursing entity arranges to inform the holders of the issued travelers checks with respect to the chosen identification codes and the amount of funds accredited thereto.

Upon verification to such effect, each holder of a travelers check bearing one of the chosen identification codes is entitled to obtain from the statistical disbursing entity the total amount of funds accredited to the identification code of that check.

Thus, the process of randomly choosing a few identification codes and making a substantial disbursement to each of the holders of the travelers checks bearing the chosen codes is carried out on a substantially continuous basis; which means that each individual travelers check represents a continuously repeating opportunity to receive a substantial disbursement of funds.

In the preferred embodiment, the rate of funds disbursed by the statistical disbursing entity to the holders of travelers checks is such as, on the whole, to represent a fair return on the values exchanged therefor; which is to say that, on a statistical basis, each travelers check, regardless of its denomi-

nation, earns an interest substantially commensurate with its face value as well as with the currently prevailing interest rate.

The value associated with a travelers check might be as low as equivalent to about \$10.00. To cost-effectively permit the holders of such low-value travelers checks to gain a relatively high rate of return, only one out of one million travelers checks would be chosen each week; and the chosen one-in-a-million check would receive the total interest earned by the funds received for one million such low-value checks for one week. At an annual interest rate of 10%, the weekly earnings on one million such low-value checks would be about \$20,000; which would then be the pay-out associated with the one low-value travelers check chosen each week.

The check-issuing (i.e., certificate-issuing) entity CIE keeps account of all the uniquely coded travelers checks (i.e., financial certificates) exchanged by it in return for dollar-equivalent values received from the various individual entities; and transmits information with respect to key characteristics of these travelers checks, such as identification code and value denominations, to the statistical disbursing entity SDE.

The check-issuing (certificate-issuing) entity CIE conveys to the utilization entity UE the dollar-equivalent values it has received in exchange for travelers checks; while it receives a flow of income from the income-generating entity IGE. At least part of this flow of income is conveyed to the statistical disbursing entity SDE to be placed into a disbursement fund.

Periodically and repeatedly, preferably once each week, the statistical disbursing entity SDE randomly selects the identification codes of a relatively few of the numerous issued travelers checks and accredits each chosen identification code with a substantial amount of funds from the disbursement fund. Thereafter, the statistical disbursing entity arranges to inform the holders of the issued travelers checks with respect to the chosen identification codes and the amount of funds accredited thereto.

Upon verification to such effect, each holder of a travelers check (or financial certificate) bearing one of the chosen identification codes is entitled to obtain from the statistical disbursing entity the total amount of funds accredited to the identification code of that check.

Thus, the process of randomly choosing a few identification codes and making a substantial disbursement to each of the holders of the travelers checks bearing the chosen codes is carried out on a substantially continuous basis; which means that each individual travelers check represents a continuously repeating opportunity to receive a substantial disbursement of funds.

In the above-described preferred embodiment, the rate of funds disbursed by the statistical disbursing entity to the holders of travelers checks is such as, on the whole, to represent a fair return on the dollar-equivalent values exchanged therefor; which is to say that, on a statistical basis, each travelers check (i.e., financial certificate), regardless of its denomination, earns an interest substantially commensurate with its face value (or the equivalent thereof) as well as with the currently prevailing interest rate.

The value associated with a travelers check (i.e., a financial certificate) might be as low as equivalent to about \$10.00. To cost-effectively permit the holders of such low-value travelers checks to gain a relatively high rate of return, only one out of one million travelers checks would be chosen each week; and the chosen one-in-a-million check would receive the total interest earned by the funds received for one million such low-value checks for one week. At an annual interest rate of 10%, the weekly earnings on one million such low-value checks would be about \$20,000; which would then be the pay-out associated with the one low-value travelers check chosen each week.

Of course, with respect to travelers checks of higher value, correspondingly higher pay-outs, and/or higher chances for being chosen for pay-outs, would prevail.

In the above-described preferred embodiment, instead of disbursing all of the earnings (derived from the income-earning

9.

investment of the dollar-equivalent values having been received from the various individual entities in exchange for financial certificates) to the holders of these financial certificates, at least some (or even all) of these earnings could be added to the totality of the income-earning investment, thereby giving rise to an ever-increasing total investment pool underlying (i.e., represented by) the issued financial certificates; which means that the value of each such financial certificate will correspondingly increase. Thus, if a given financial certificate is bought for a certain dollar-amount at a certain time, that same financial certificate would be worth more in terms of dollars at some later time; which implies that this financial certificate would represent a true value that would grow with time, normally at a rate in excess of the inflation rates associated with ordinary monetary currencies. In fact, with an appropriately conservative underlying investment pool, this particular type of certificate would constitute a highly desirable certificate of value that would be far more desirable to hold (i.e., save) than the monetary certificates issued by most national governments.

In fact, it is anticipated that the various issuing entities (the world over) would provide for daily quotation of the "exchange rate" of a basic (i.e., unit) financial certificate in term of dollars and/or other national currencies.

Additional Comments re the First Preferred Embodiment

(a) To a person of ordinary skill in the arts most nearly relevant hereto, it will be clear that all the functions associated with the various functional blocks of the systems-process block diagram of Fig. 1 may be performed by automatic means, such as by way of pre-programmed computer and dispenser means. For instance, an automatic teller machine may accept small dollar amounts from an individual entity or person and issue to him receipts and/or travelers checks in exchange therefor -- each receipt and/or travelers check having a unique identification code.

Alternatively, some or all of the various functions may be accomplished by persons of ordinary skills by simply following clearly specifiable procedures.

(b) It is expected that the check-issuing entity will, by way of the utilization entity, invest the revenues received from the sale of travelers checks in various large blocks of income-producing financial instruments, such as large-denominations government bonds, shares of corporate capital stock, shares of or in mutual funds, etc.

(c) The income-generating entity (IGE) and the utilization entity (UE) may be one and the same, namely one or more profit-producing organizations, such as industrial corporations, mutual funds, etc. The flow of income to the money-issuing entity (MIE) would then come from the profits of those profit-producing organizations.

(d) After a very large number of travelers checks have been issued, to provide for an increased level of perceived value (such as by providing for a significant degree of lottery-like excitement), one of the periodically chosen identification codes would be accredited with a particularly high pay-out, such as several million dollars. This increased pay-out would be counter-balanced by somewhat reduced pay-outs to the other chosen identification codes.

(e) It is anticipated that the travelers checks will be of at least two different types. One type would permit the individual owner to be specifically identified; another type would be in the form of bearer certificates requiring special coded identification for redemption by the bearer.

(f) It is also anticipated that subject Dividend-Paying Travelers Checks may be furnished in a version that is, in effect, pre-endorsed and usable as cash. As such, they would expectedly

become widely accepted: becoming as liquid and tradeable as ordinary money. In effect, they would constitute interest-bearing money.

Hence, it would be reasonable to expect that a large number of people would simply prefer to convert all of their available cash funds into such Dividend-Paying Travelers Checks.

(g) In case the holder of a travelers check with a chosen identification code chooses not to or otherwise fails to collect the funds accredited to that chosen identification code, the probability of that particular identification code being chosen in the future will be adjusted upward by a factor equal to the factor by which the amount of uncollected funds exceeds the value of the chosen travelers check.

More particularly by way of example, if a given travelers check is valued at the equivalent of \$10, and if at one point in time that check were chosen to be accredited with an amount of \$2000, then -- for as long as the accredited amount remains uncollected -- this particular check would partake in future random choosings with a probability of being chosen that is 201 higher than it was before.

(h) The process herein described in connection with travelers checks may also be applied to situations wherein the funds supplied by the various individual entities (individuals) are not represented by a physical check or certificate means. Rather, the process and system is also applicable to situations where the money provided by an individual is simply turned over to the check-issuing entity (or its simili) in return for some form of receipt and placed in an account held in the name of that particular individual. Interest and/or dividends would then be paid to this individual on a statistical basis; and such interest and/or dividends would then simply be accredited to his account.

Thus, the process and system herein described is applicable to such situations as:

(1) Paying interest on passbook or similar bank savings accounts;

(2) Paying interest on balances in credit and/or debit card accounts;

(3) Paying interest on balances in personal and/or small company checking accounts;

(4) Disbursement of dividends payable on small lots of corporate capital stock;

(5) Payments of dividends and/or interest on accounts with stock brokers and/or mutual funds;

(6) Paying interest/dividends on outstanding money orders, not-yet-redeemed checks; etc.

(7) Paying interest on excess payments on various trade accounts (thereby encouraging pre-payment), such as the telephone service account, the electric service account, etc.

In all these situations, by using the principle of paying dividends and/or interest by way of a statistical distribution method, a basic value to each account holder is virtual elimination of the relatively high transaction costs associated with small transactions, thereby permitting higher effective interest and/or dividends to be paid to the account holder while at the same time eliminating all the detailed record-keeping otherwise incumbent upon him. In addition, a high degree of lottery-like excitement is provided.

(i) One very important feature of the Dividend-Paying Travelers Checks herein described is that they need not be redeemable. That is, they can be made to function perfectly well without the mechanism of redemption.

This fact permits the operation associated with issuing travelers checks to include many more options in terms of investments suitable as underlayment of the requisite dividend payments.

With non-redeemable travelers checks, the value of the travelers check would be entirely based on its dividend-paying feature; which would imply that an issued travelers check will

have a value that would be determined by a market mechanism, somewhat like a stock certificate. In other words, the value of such a travelers check would be apt to fluctuate somewhat; but, as long as dividend payments are upheld, it would clearly have a value.

By maintaining the dividend payments at a substantially constant level, the market value of such a travelers check would fluctuate with the interest rate.

By increasing (or decreasing) the dividend payments in accordance with the inflation rate, the market value (in dollars) of such a travelers check would increase (or decrease) accordingly.

By increasing the dividend payments at a rate higher than the inflation rate, the market value of such a travelers check would increase at a rate higher than inflation.

In any case, its utility as a travelers check would be maintained: its trading value would simply be established by market mechanisms.

Of course, the price of a travelers check from the issuer would also be determined by market mechanisms.

Description of the Second Preferred Embodiment

Brief Description

With basic reference to the embodiment of Fig. 2, a commercial enterprise, such as a general merchandise retailing establishment, prices its various items of merchandise in certain basic pricing units and sells uniquely coded merchandise certificates denominated in such pricing units; which pricing units are of such nature as to be substantially unaffected by inflation.

At any later time the holder of such a merchandise certificate is entitled to exchange this certificate for merchandise equivalent in total pricing units to the denomination specified on the certificate, regardless of any intervening changes in dollar pricing of the various items of merchandise.

Since the purchaser of a merchandise certificate helps pay for the inventory of merchandise, which represents a significant

economic value to the enterprise holding this inventory, each holder of such a certificate periodically receives an interest payment in the form of a pre-established probabilistic chance to win additional merchandise certificates.

More particularly, subject merchandise certificates and system comprise the following key steps and component parts:

(1) a certificate-issuing entity operative, in return for money received, to issue to each of various individual entities (ex: persons) a number of uniquely coded merchandise certificates;

(2) a merchandise-purchasing entity functionally connected with the certificate-issuing entity and operative to utilize the money received by the certificate-issuing entity for purchasing merchandise (and/or for investing);

(3) a merchandise-dispensing entity functionally connected with the merchandise-purchasing entity and the certificate-issuing entity, and operative: (i) to issue merchandise in return for merchandise certificates; and (ii) to convey the certificates received to the certificate-issuing entity; and

(4) a merchandise-pricing entity functionally connected with the merchandise-purchasing entity and the merchandise-dispensing entity, and operative to provide information to the merchandise-dispensing entity with respect to the appropriate number of pricing units to charge each of the different items of merchandise.

Details of Construction

Fig. 2 is a combination systems-process diagram that illustrates the system operative to effectuate the process of the present invention.

In Fig. 2, numerous individual entities are identified as IE1, IE2 ... IEx ... IEn; each of which numerous individual entities -- at one time or another -- is operationally connected with a certificate-issuing entity CIE as well as with a merchandise-dispensing entity MDE. Certificate-issuing entity CIE is operationally connected with an investment and merchandise-purchasing entity MPUE as well as with dividend- and merchandise-dispensing entity MDE. The merchandise-purchasing entity MPUE is

operationally connected with a merchandise-pricing entity MPRE as well as with merchandise-dispensing entity MDE. Merchandise-pricing entity MPRE is operationally connected with merchandise-dispensing entity MDE.

Details of Operation

Numerous individual entities (IE1/IE2/IEx/IE_n) will, at one time or another, interact with CIE in such manner as to convey to it one or more units of monetary value (ex: dollars) in exchange for one or more uniquely coded merchandise certificates. Each such uniquely coded merchandise certificate is identified in a manner that reflects the fact that it represents a certain amount of merchandise -- or a certain number of merchandise units; which amount of merchandise will be delivered to the bearer of the certificate in exchange therefor.

CIE keeps account of all the uniquely coded merchandise certificates issued (or sold) by it to the various individual entities; and transmits to MDE information with respect to key characteristics of these certificates, such as identification codes and denominations in merchandise units.

CIE conveys to MPUE the money it receives in exchange for merchandise certificates. In response to information received from MDE, MPUE uses the money received from CIE to purchase merchandise and/or income-producing means from various sources; which merchandise, when received, it routes to MDE.

Depending on the amount of merchandise needed by MDE, MPUE may use more or less of the money received from CIE to purchase merchandise. To the extent that MPUE accumulates more money than that required to purchase the merchandise needed by MDE, MPUE will buy income-producing means: government bonds, corporate capital stock, etc.

Periodically and repeatedly, such as once each week, MDE will randomly select the identification code of one of the issued merchandise certificates and accredit the certificate bearing the chosen identification code with an extra amount of merchandise.

Thereafter, MDE arranges to inform the holders of the issued

merchandise certificates with respect to particulars of the chosen identification code and the amount of additional merchandise units accredited to the holder of the certificate bearing that code. The holder of the merchandise certificate bearing that code is entitled, in exchange therefor, to obtain from MDE a new merchandise certificate valid for the amount of merchandise units of the old certificate in addition to the amount of merchandise units now additionally accredited thereto.

The process of randomly choosing one or a few identification codes and making a substantial disbursement of merchandise units to each of the holders of the merchandise certificates bearing the chosen codes is carried out on a substantially continuous basis; which means that each individual merchandise certificate represents a continuously repeating opportunity to receive a substantial disbursement of additional merchandise units.

Thus, in addition to being guaranteed not to lose value due to inflation of ordinary dollar currency, each merchandise certificate represents a true investment that -- on a statistical basis -- will yield a real and significant return. Moreover, it repeatedly provides a degree of lottery-like excitement.

A merchandise certificate would only be redeemable in merchandise, and only in the amount of merchandise represented by the number of merchandise units identified on the certificate. However, means are provided whereby the certificate-issuing entity (CIE) will exchange a merchandise certificate for an appropriate sum of ordinary monetary currency; which appropriate sum would be determined by prevailing market forces.

MPE is responsible for pricing each item of MDE's merchandise in terms of merchandise units. The value of one merchandise unit is established on the basis of a clearly defined "basket" of merchandise -- much in the same way as the Government's Consumer Price Index is established.

In fact, at least initially, the Consumer Price Index will be used as the main determinant of the exchange rate between merchandise units and dollars: one merchandise unit will be priced in cents equal to the currently prevailing Consumer Price Index

(ex: 119.8 as of September 1988). Thus, as of September 1988, the price of one merchandise unit would have been about \$1.20.

The merchandising dispensing entity could in reality be a number of different merchandising entities, each at a different location and/or with a different collection of merchandise.

The merchandise offered by MDE may include a wide variety of things and services: essentially anything that may be purchased by ordinary dollar currency — items such as general merchandise, automobiles, gasoline, air planes, coal, industrial supplies & raw materials, commodities, stocks & bonds, contracts, mortgages, real estate, telephone services, postal services, electric energy deliveries/services, repair services, construction services, labor services, legal services, travel services, entertainment services, freight services, etc.

Additional Comments re Second Preferred Embodiment

(j) To a person of ordinary skill in the arts most nearly relevant hereto, it will be clear that all the functions associated with the various functional blocks of the systems-process block diagram of Fig. 2 may be performed by automatic means, such as by way of pre-programmed computer and dispenser means. For instance, an automatic (computerized) teller machine may accept dollar payments from an individual entity or person and issue to him merchandise certificates in exchange therefor -- each merchandise certificate having a unique identification code.

Alternatively, some or all of the various functions may be accomplished by persons of ordinary skills by simply following clearly specifiable procedures.

(k) After a very large number of merchandise certificates have been issued, to provide for an increased level of perceived value (such as by providing for a significant degree of lottery-like excitement), one of the periodically chosen identification codes would be accredited with a particularly high pay-out, such as the equivalent of several million dollars. This increased pay-

out would be counter-balanced by somewhat reduced pay-outs to the other chosen identification codes.

(l) It is anticipated that the merchandise certificates will be of at least two different types. One type would permit the individual owner to be specifically identified; another type would be in the form of bearer certificates requiring special coded identification for redemption by the bearer.

(m) In case the holder of a merchandise certificate with a chosen identification code chooses not to or otherwise fails to collect the premium accredited to that chosen identification code, the probability of that particular identification code being chosen in the future will be adjusted upward by a factor equal to the factor by which the amount of uncollected premium exceeds the value of the merchandise certificate with the chosen identification code.

More particularly, by way of example, if a given merchandise certificate be valued at the equivalent of \$10, and if at one point in time that certificate were chosen to be accredited with a premium equivalent to \$2000, then -- for as long as the accredited premium were to remain uncollected -- this particular certificate would partake in future random choosings with a probability of being chosen that be 201 times higher than it was before.

(n) The term Merchandise Units may more illustratively be called Pricing Units.

(o) Some of the indicated functions, such as investment of funds in excess of what is needed to purchase merchandise, may be accomplished by any one of the indicated entities; or, it may be accomplished by a separate entity such as a mutual funds management entity.

(p) After a substantial number of merchandise certificates have been issued, it is anticipated that a secondary market for such merchandise certificates will come about: they will be sold

and bought at a price established by market forces. Thus, as continuous devaluation of the dollar takes place -- as it does as a result of inflation -- the dollar-value of a merchandise certificate will gradually increase: about enough to off-set inflation.

(q) It is anticipated that subject merchandise certificates and system be established and operated in such manner as to permit the participation therein of a large number and a wide variety of individual business enterprises, with at least some of these performing the functions of selling merchandise certificates, purchasing merchandise, and dispensing merchandise in exchange for such certificates. However, the function of the merchandise pricing entity (the keeper/accountant/auditor of the merchandise "basket") would anticipatedly be accomplished by a central means.

Description of the Third Preferred Embodiment

The third preferred embodiment is illustrated by Fig. 3; the details of which are described as follows.

A Certificate-Issuing Entity CIE issues one or more Financial Certificates to each of plural individual entities (IE1 ... IEn) in exchange for money-equivalent values or funds (e.g. dollars). Most of the money-equivalent funds thereby received are caused to flow to an Investment Entity IE; which will cumulate the funds thereby received into a pool of funds; at least a substantial part of which will be invested by it into various income-generating financial instruments (IGFI1 ... IGFI_m), such as municipal bonds, government bonds, corporate bonds, corporate capital stock certificates, etc. Thus, the Investment Entity will receive a money-equivalent income stream; at least a significant part of which income stream will be folded into the pool of funds, thereby causing this pool to grow such as to permit further investments in income-generating financial instruments, etc.

A Certificate Redemption Entity CRE is functionally interconnected with the Investment Entity (as well as with the Certificate-Issuing Entity) and is operative to receive Financial

Certificates from any one of the plural individual entities IE1 ... IEn; and to exchange such certificates for money-equivalent values (e.g. dollars). The money-equivalent values required to be delivered by it in exchange for such certificates are provided from the Investment Entity; which, whenever required and/or otherwise found advantageous, will liquidate part or all of its investments in the various income-generating financial instruments IGFI1 ... IGFIm.

Each of the Financial Certificates issued by the Certificate-Issuing Entity is provided with a unique identification code; which unique identification code is communicated to the Certificate Redemption Entity via the indicated Communication Link so that the Certificate Redemption Entity can verify the authenticity of any Financial Certificate received by it for redemption.

By virtue of the income-generating nature of the investments held by the Investment Entity, the total money-equivalent (e.g. dollar-equivalent) value of all its income-generating financial instruments IGFI1 ... IGFIm, as combined with its as-yet-not-invested pool of funds, will steadily grow as measured on the basis of allocation to each individual Financial Certificate issued by the Certificate-Issuing Entity and not yet redeemed by the Certificate Redemption Entity. That is, the money-equivalent value of each issued but not-yet-redeemed Financial Certificate will grow over time due to the income-generating feature of the income-generating financial instruments IGFI1 ... IGFIm.

Additional Comments re the Third Preferred Embodiment

(r) To the extent that the income-generating capability of some or all of the various income-generating financial instruments may grow over time -- which indeed will generally be the case with well-managed industrial corporations -- the money-equivalent value of each issued and not-yet-redeemed Financial Certificate will grow even faster, namely in accord with the combination of the actual income-generating capabilities and the expected growth of income-generating capabilities.

(s) At least some of the Financial Certificates issued by the Certificate-Issuing Entity would be issued in the form of so-called bearer certificates (hereinafter referred-to as "Bearer Financial Certificates" or merely "Bearer Certificates"); which Bearer Certificates would readily be tradeable between most any types of individual and/or other (e.g. corporate or business) entities. Thus these Bearer Financial Certificates would be operative to serve most of the purposes presently being served by ordinary monetary certificates (e.g. dollars). However, unlike ordinary monetary certificates, the Bearer Financial Certificate would not only be inflation-proof; but it would in fact provide for a growth in real value over time.

CLAIMS

1. A financial services system comprising:

certificate-issuing means operative, in exchange for an amount of dollar-equivalent value received from each one of a plurality of individual entities, to issue to each such one individual entity a financial certificate; each such financial certificate having a unique identification code; and

investment means operative: (i) to receive from the certificate-issuing means a substantial fraction of the dollar-equivalent values having been received by it in exchange for the financial certificates issued by it; (ii) to cumulate these dollar-equivalent values such as to form a pool of dollar-equivalent funds; (iii) to invest at least a substantial portion of this pool of dollar-equivalent funds in a set of different income-generating financial instruments, thereby to generate a dollar-equivalent income stream; and (iv) to supply at least a part of this dollar-equivalent income stream to the pool of dollar-equivalent funds;

such that: (i) each financial certificate represents ownership of a certain part of the set of different income-generating financial instruments as well as of the pool of dollar-equivalent funds; and (ii) the dollar-equivalent value of each financial certificate increases over time.

2. A financial services system comprising:

first means operative, in exchange for an amount of dollar-equivalent value received from each one of a plurality of individual entities, to issue to each such one individual entity a financial certificate; each such financial certificate having a unique identification code; and

second means operative: (i) to receive from the first means a substantial fraction of the dollar-equivalent values received by it in exchange for the financial certificates issued by it; (ii) to cumulate these dollar-equivalent values such as to form a pool of dollar-equivalent funds; (iii) to invest at least a substantial portion of this pool of dollar-equivalent funds in various income-generating financial instruments, thereby to generate a dollar-equivalent income stream; and (iv) to add at least a significant part of this dollar-equivalent income stream to the pool of dollar-equivalent funds, thereby to cause the total dollar-equivalent value of this pool to increase over time;

such that: (i) each financial certificate represents ownership of a certain part of the pool of dollar-equivalent funds; and (ii) the dollar-equivalent value of each financial certificate increases over time.

3. The financial services system of claim 2 combined with a third means functionally connected with the second means and operative each time after a time-interval: (i) to randomly chose one of the unique identification codes; (ii) to allocate a certain amount of dollar-equivalent value to the particular financial certificate having the chosen identification code; and (iii) on presentation of the financial certificate having the chosen identification code, to transfer said certain amount of dollar-equivalent value to the bearer of this particular financial certificate.

4. The system of claim 3 wherein said certain amount of dollar-equivalent value is not substantially higher than the total income having been generated by the pool of dollar-equivalent funds during said time-interval.

5. The financial services system of claim 2 combined with a third means functionally connected with the second means and operative periodically: (i) to randomly chose one of the unique identification codes; (ii) to issue a certain number of new financial certificates to the particular financial certificate having the chosen identification code; and (iii) on presentation of the financial certificate having the chosen identification code, to transfer said certain number of new financial certificates to the bearer of the financial certificate having the chosen identification code.

6. The financial services system of claim 2 wherein the various income-generating financial instruments include a diverse collection of financial securities issued by a variety of financially responsible entities, including various commercial corporations and/or various governmental agencies.

7. The financial services system of claim 2 wherein the various income-generating financial instruments include a diverse collection of the financial securities listed on the various stock exchanges of the world.

8. The financial services system of claim 2 wherein the various income-generating financial instruments include a diverse collection of the financial securities listed on the New York Stock Exchange, presently being located in New York City.

9. The financial services system of claim 2 wherein the various income-generating financial instruments include a diverse collection of the financial securities usually quoted by the Wall Street Journal, presently being published in New York City.

10. A financial services system comprising:

(A) a total number of financial certificates; each financial certificate: (i) having a unique identification code; (ii) representing ownership of a certain part of a total collection

of a variety of different income-generating financial securities; and (iii) having a dollar-equivalent value that increases over time;

(B) issuing means operative, in exchange for an amount of dollar-equivalent values, to issue one or more such financial certificates to each of a plurality of individual entities;

(C) investment means functionally connected with the issuing means and operative: (i) to cumulate into a pool of dollar-equivalent funds at least some of the dollar-equivalent values received by the issuing means in exchange for issuing financial certificates; (ii) to invest this pool of dollar-equivalent funds in various income-generating financial securities, thereby to generate a stream of dollar-equivalent income; and (iii) to apply at least a fraction of this stream of dollar-equivalent income to the pool of dollar-equivalent funds, thereby over time to cause the total dollar-equivalent value of this pool to increase; and

(D) disbursement means functionally connected with the investment means and operative at some given point in time, in exchange for receiving a given financial certificate from a certificate-holding entity, to transfer to that certificate-holding entity an amount of dollar-equivalent value substantially equal to the total dollar-equivalent value of the pool of dollar-equivalent funds at said point in time divided by the total number of financial certificates.

11. The financial services system of claim 10 combined with a statistical selection means functionally connected with the investment means and the disbursement means; the statistical selection means being operative, each time after a given period of time, to statistically select one of the unique identification codes and to allocate a certain amount of dollar-equivalent value to the particular financial certificate having the selected code;

such that, upon presentation of the particular financial certificate having the selected code, the certificate-holding entity presenting that particular financial certificate will receive said certain amount of dollar-equivalent value.

12. The financial services system of claim 11 wherein said certain amount of dollar-equivalent value does not exceed the dollar-equivalent value of the income stream having flowed over said given period of time.

13. A new monetary-equivalent system comprising:

first means operative to issue to each of a number of individual entities a new monetary certificate in exchange for an amount of dollar-equivalent value; the new monetary certificate being identified by a unique identification code; each individual entity becoming a holder of a new monetary certificate;

second means functionally connected with the first means and operative to receive from the first means the dollar-equivalent values having been received by the first means in exchange for issued new monetary certificates, and to accumulate the received dollar-equivalent values into a pool of dollar-equivalent funds; each new monetary certificate signifying ownership of a certain part of this pool of dollar-equivalent funds; the second means being operative to invest at least a significant part of the pool of dollar-equivalent funds in various income-producing financial instruments, thereby to give rise to a flow of dollar-equivalent income; at least a substantial part of the flow of dollar-equivalent income being added to the pool of dollar-equivalent funds, thereby to cause this pool to grow in total dollar-equivalent value over time, thereby as well to cause the dollar-equivalent value of each new monetary certificate to grow over time; and

third means functionally connected with the second means and operative at a given time, upon demand and in exchange for a new monetary certificate, to transfer to the holder of this new monetary certificate the amount of dollar-equivalent value represented by this new monetary certificate at that given time;

whereby the new monetary certificates will be backed by income-producing values and will therefore increase in dollar-equivalent value over time.

14. An arrangement comprising:

first means operative, in exchange for money in the form of dollars or other monetary units, to issue merchandise certificates to various individual entities; each of these individual entities becoming a holder of a merchandise certificate; each merchandise certificate: (i) bearing a unique identification code, and (ii) constituting evidence of entitlement to a specific number of merchandise units;

second means having items of merchandise and being operative to redeem merchandise certificates in exchange for such items of merchandise; each item of merchandise requiring for its redemption a specific number of merchandise units; and

third means functionally connected with the first and second means; the third means being operative: (i) to receive from the second means information related to desired items of merchandise; (ii) to receive money from the first means; (iii) in accordance with information received from the second means, to purchase items of merchandise, using therefor money received from the first means; and (iv) causing purchased items of merchandise to be made available to the second means.

15. The arrangement of claim 14 wherein the number of merchandise units required for redemption of each given item of merchandise does not change to a substantial degree over time, regardless of any devaluation, such as may occur from ordinary inflationary effects, associated with the monetary units received by the first means.

16. The arrangement of claim 14 wherein the second unit provides to the first means information with respect to redeemed merchandise certificates.

17. The arrangement of claim 14 combined with means operative from time-to-time to randomly choose the identification code of an issued merchandise certificate and to allocate a premium to the holder of the merchandise certificate having the chosen identification code.

18. The arrangement of claim 14 combined with investment means functionally connected with the first means and operative to invest part of the money received by the first means, thereby to obtain earnings on the money so invested.

19. The arrangement of claim 14 additionally combined with a fourth means; the fourth means being functionally connected with the second means and operative to provide information to the second means relative to the number of merchandise units to be required by the second means in exchange for each of various specific items of merchandise; the fourth means also being functionally connected with the third means, thereby to obtain information with respect to prices paid by the third means for various items of merchandise.

20. The arrangement of claim 14 combined with averaging means functionally connected with the second means and operative: (i) to identify a certain combination of items of merchandise; (ii) to maintain records related to this certain combination; (iii) to ascribe a substantially time-invariable number of merchandise units to this certain combination of items of merchandise; (iv) to receive information relative to market prices, as expressed in monetary units, associated with each item of merchandise comprised within this certain combination; and (v) in response to any relative changes in such market prices, to adjust correspondingly the relative number of merchandise units required in redemption of each item of merchandise.

21. An arrangement comprising:

first means operative to issue, to each of numerous individual entities, certificate means in exchange for monetary units; each individual certificate means having a unique identification code and being denominated in a specific number of merchandise units; the monetary units having a propensity for losing value over time; and

second means connected with the first means and operative to purchase items of merchandise in exchange for monetary units received from the first means and to provide items of merchandise

to an individual entity in exchange for certificate means; each specific item of merchandise to be exchanged for certificate means denominated in a correspondingly specific number of merchandise units;

such that each merchandise unit will be prevented from losing value over time even if the monetary units were to lose value over time.

22. The arrangement of claim 21 combined with investment means functionally connected with the first means and operative: (i) to receive monetary units from the first means; and (ii) to invest at least part of the monetary units received from the first means in such manner as to receive an income.

23. The arrangement of claim 21 combined with premium means functionally connected with the first and the second means, and operative to: (i) from time-to-time randomly to choose one of the unique identification codes; and (ii) accredit a premium to the individual entity holding the certificate means having the chosen identification code.

24. The arrangement of claim 21 combined with a third means functionally connected with the first means and the second means, and operative to cause the value of each merchandise unit to increase over time.

25. An arrangement comprising:

first means operative to issue, to each of numerous individual entities, certificate means in exchange for monetary units; each individual entity becoming a holder of certificate means; each individual certificate means having a unique identification code and being denominated in a specific number of merchandise units; each of the monetary units having a tendency to change value over time; and

second means operationally connected with the first means and operative: (i) to receive monetary units from the first means; (ii) to purchase items of merchandise in exchange for such monetary

units; and (iii) to provide items of merchandise to a holder in exchange for certificate means; each specific item of merchandise to be exchanged for certificate means denominated in a corresponding specific number of merchandise units;

such that the value of each merchandise unit, in terms of the amount of merchandise it may be redeemed for, will remain substantially constant over time;

whereby the number of monetary units required in exchange for a certificate means denominated in a given number of merchandise units will increase in response to a decrease in the value of each monetary unit.

26. An arrangement comprising:

first means operative to issue, to each of numerous individual entities, certificate means in exchange for monetary units, such as dollars; each such individual entity becoming a holder of certificate means; each individual certificate means having a unique identification code and being denominated in a specific number of merchandise units; each of the monetary units having a tendency to change value over time, such as might be caused by inflation; and

second means operationally connected with the first means and operative: (i) to receive monetary units from the first means; (ii) to secure items of merchandise in exchange for such monetary units; (iii) to ascribe to each item of merchandise a specific number of merchandise units; and (iv) on demand by any given holder of certificate means, to provide to such given holder a desired item of merchandise in exchange for certificate means representing merchandise units equal in number to that ascribed to the desired item of merchandise;

the arrangement being operative to function in such manner as to maintain the value of each merchandise unit, in terms of the amount of merchandise it may be redeemed for, substantially constant over time, such that the number of monetary units required in exchange for a certificate means denominated in a given number of merchandise units will increase in correspondence with a decrease in the value of the monetary unit.

27. The arrangement of claim 26 operationally combined with third means; the third means being operative:

(i) from time to time, to select by random means the identification code of one of the individual certificate means;

(ii) to communicate to each holder of certificate means the chosen identification code; and

(iii) upon presentation of proof of ownership of the certificate means bearing the chosen identification code, to transfer to the holder of this certificate means ownership of an additional number of merchandise units.

28. The arrangement of claim 26 wherein, at any point in time, the number of merchandise units ascribed to a given item of merchandise is proportional to the number of monetary units required to secure that given unit.

29. The arrangement of claim 26 wherein the first means includes automatic certificate dispensing means operative to issue certificate means in return for deposits of monetary units.

30. An arrangement comprising:

certificate issuing system operative to issue, to each of various individual entities, certificate means in exchange for monetary units, such as dollars; each such individual entity becoming a holder of certificate means; each individual certificate means having a unique identification code and being denominated in a specific number of merchandise units; the monetary unit having a tendency to change value over time, such as might be caused by inflation; and

control system operationally connected with the certificate issuing system and operative: (i) to receive monetary units from the certificate issuing system; (ii) to secure items of merchandise in exchange for pledging monetary units; (iii) to ascribe to each item of merchandise a specific number of merchandise units; and (iv) on demand by any given holder of certificate means, to provide to such given holder a desired item of merchandise in exchange for certificate means representing

merchandise units equal in number to that ascribed to the desired item of merchandise;

the arrangement being operative to function such as, over time, to at least maintain the real value of each merchandise unit; the real value of a merchandise unit being defined by the amount of merchandise it may be redeemed for;

such that, if the value of the monetary unit were to decrease over a period of time, the number of monetary units required in exchange for a certificate means denominated in a given number of merchandise units would increase over said period of time by an amount at least sufficient to compensate for the decreased value of the monetary unit.

31. An operational structure comprising:

first means operative to issue, to each of numerous individual entities, certificate means in exchange for monetary units; each individual certificate means being denominated in a specific number of merchandise units; the monetary units having a tendency to lose value over time; and

second means connected with the first means and operative to purchase items of merchandise in exchange for monetary units received from the first means and to provide items of merchandise to an individual entity in exchange for certificate means; each specific item of merchandise to be exchanged for certificate means denominated in a correspondingly specific number of merchandise units;

such that each merchandise unit will be prevented from losing value over time even if the monetary units were to lose value over time.

32. An arrangement comprising:

first means operative, in exchange for values received, to issue travelers checks to various individual entities; each of these individual entities becoming a holder of a travelers check; each travelers check: (i) bearing a unique identification code, and (ii) bearing a first signature associated with its holder;

second means functionally connected with the first means and operative to utilize the values received such as to obtain therefrom a substantially continuous stream of profits; and

third means functionally connected with the first and second means, the third means being operative to receive funds derived from the continuous stream of profits, to keep a record of the unique identification code of each of the issued travelers checks, and repeatedly, each time after a certain time period, to: (i) choose at random a number of the recorded identification codes; (ii) accredit an amount of funds to the holder(s) of the travelers check(s) bearing the chosen identification code(s); (iii) inform the various individual entities of the chosen identification code(s); and (iv) allocate said amount of funds to the holder(s) of the travelers check(s) bearing the chosen identification code(s), said amount of funds being substantially proportional to the profits cumulated during the certain time period.

33. The arrangement of claim 32 wherein, in order for a holder of a travelers check bearing a chosen identification code to obtain a part of said amount of allocated funds, the holder has to place a second signature onto the travelers check bearing the chosen identification code; the second signature being substantially identical to the first signature.

34. The arrangement of claim 32 wherein: (i) each travelers check is denominated in a manner that reflects proportionality to the value having been received by the first means in exchange therefor; and (ii) the holder of a travelers check bearing a chosen identification code receives a part of said amount of funds, which part being substantially proportional to the denomination thereof.

35. The arrangement of claim 32 wherein the second means utilizes at least part of the values received by way of obtaining in exchange therefor a number of income-yielding financial instruments, such as interest-yielding government bonds and/or shares of dividend-yielding corporate capital stock.

36. An arrangement comprising:

first entity operative to issue certificate means in exchange for monetary value means, an individual non-redeemable certificate means having a unique identification code and being issued in exchange for a specific but relatively small amount of monetary value means;

plural individual entities functionally related to the first entity, each individual entity having monetary value means and being operative to transfer to the first entity said specific relatively small amount of monetary value means in exchange for an individual certificate means, thereby causing: (i) the first entity to accumulate a relatively large amount of monetary value means including the sum of numerous specific relatively small amounts of monetary value means; and (ii) the plural individual entities to obtain numerous certificate means, each having a unique identification code;

second entity functionally related to the first entity and operative to utilize the cumulated monetary value means in such manner as to obtain therefrom a substantially continuous stream of profits; and

third entity functionally related to the plural individual entities as well as to the first and the second entity, the third entity: (i) receiving funds from the substantially continuous stream of profits; (ii) maintaining record of the unique identification codes of each individual certificate means issued by the first entity; (iii) having random choice means operative at the end of a period to choose randomly from among the numerous unique identification codes of record; (iv) choosing by said random choice means at least one of the numerous identification codes; (v) accrediting a substantial amount of funds to the certificate means having the chosen identification code; (vi) informing the plural individual entities of the chosen identification code; and (vii) effectively transferring possession of said substantial amount of funds to the individual entity holding the individual certificate means having the chosen identification code, said substantial amount of funds being approximately proportional to a sum of all the profits having cumulated during said period.

37. The arrangement of claim 36 wherein the certificate means is denominated in a manner proportional to the relatively small amount of monetary value means for which it was exchanged.

38. An arrangement comprising:

issuing and receiving means operable to issue a travelers check means in exchange for an amount of value received, the travelers check means being provided with a unique identification code;

plural individual entities, each operable to provide an amount of value to the issuing and receiving means and to obtain a uniquely coded travelers check means in exchange therefor, thereby bringing about a situation whereby: (i) the plural individual entities have obtained a large number of travelers check means, each having been provided with a unique identification code; and (ii) there are numerous owners of travelers check means;

utilization and revenue generating means operable to obtain from the issuing and receiving means the amounts of value received thereat, the utilization and revenue generating means being operable: (i) to utilize the amounts of value obtained from the issuing and receiving means; and (ii) to provide revenues in return therefor; and

statistical disbursing means operable: (i) to receive from the receiving and issuing means information with respect to the unique identification code of each issued certificate travelers check means; (ii) to obtain revenues from the utilization and revenue generating means; (iii) to randomly select the identification code of one of the large number of issued travelers check means; (iv) to accredit that travelers check means with a certain amount of revenues; (v) to inform the numerous owners of travelers check means of the one selected identification code; and (vi) to effectively transfer ownership of the certain amount of revenues to the owner of the travelers check means having the selected identification code.

39. The arrangement of claim 38 wherein the utilization and revenue generating means utilizes at least part of said amounts of value received by way of purchasing a number of yield-producing financial instruments, such as interest-paying government bonds and/or shares of dividend-paying corporate capital stock.

40. The arrangement of claim 38 wherein the travelers check means is non-redeemable by the issuing and receiving means.

41. The arrangement of claim 38 wherein: (i) the utilization and revenue generating means receives a flow of revenues as a result of its utilization of said amounts of value; (ii) the statistical disbursing means receives from the utilization and revenue generating means a stream of revenues; (iii) the stream of revenues being lower in magnitude than said flow of revenues; and (iv) at least part of said flow of revenues being utilized by the utilization and revenue generating means in such manner as to increase said flow of revenues.

42. The arrangement of claim 41 wherein: (i) each travelers check means is denominated in a manner reflecting the amount of value having initially been received in exchange therefor; and (ii) is redeemable by the issuing and receiving means, but only for an amount of value equal to that having been initially received in exchange therefor.

43. The arrangement of claim 38 wherein the issuing and receiving means, the utilization and revenue generating means, and the statistical disbursing means are parts of a profit-producing organization.

44. An operational structure comprising:

first entity operative to issue certificate means in exchange for value means, an individual certificate means: (i) having a unique identification code; (ii) being issued in exchange for a specific amount of value means; and (iii) being denominated in a manner that reflects said specific amount of value means;

plural individual entities operationally connected with the first entity, each individual entity having value means and being operative to transfer to the first entity said specific amount of value means in exchange for an individual certificate means, thereby causing: (i) the first entity to receive a flow of value means; and (ii) the plural individual entities each to hold at least one of numerous individual certificate means, each having a unique identification code;

second entity, including an income-generating entity, operationally connected with the first entity, the second entity being operative: (i) to receive said flow of value means from the first entity, (ii) to accumulate said flow of value means, and (iii) to derive investment income, such as interest and/or dividend payments, from the value means so accumulated;

third entity operable: (i) to receive from the first entity information with respect to the unique identification code of each issued certificate means; (ii) to obtain funds from the second entity; (iii) at a certain time to cause random selection of the identification code of one of the issued certificate means; (iv) to accredit that certificate means with a certain amount of funds; (v) to inform the numerous holders of certificate means of the one selected identification code; and (vi) to effectively transfer ownership of the certain amount of funds to the holder of the certificate means having the selected identification code.

45. The arrangement of claim 44 wherein each individual certificate means: (i) is issued to an individual entity which thereby becomes a certificate owner, the certificate owner having an identity; and (ii) is provided with a unique marking functional to verify said identity.

46. A system comprising:

first means operative, in exchange for values received, to issue income-producing non-redeemable financial certificates to various individual entities; each of these individual entities becoming a holder of a financial certificate; each financial certificate bearing a unique identification code;

second means functionally connected with the first means and operative to utilize the values received such as to derive a stream of profits therefrom; at least part of this stream of profits being utilized by the second means in such manner as to generate additional profits, thereby to cause the total stream of profits to increase over time; and

third means functionally connected with the first and the second means; the third means being operative:

(a) to receive funds derived from the stream of profits,

(b) to keep record of the unique identification code of each of the issued financial certificates, and

(c) periodically to: (i) choose at random one of the recorded identification codes; (ii) accredit an amount of funds to the holder of the financial certificate bearing the randomly chosen identification code; (iii) inform the various individual entities of the chosen identification code; and (iv) effectively transfer possession of said amount of funds to the holder of the financial certificate bearing the chosen identification code.

47. The system of claim 46 wherein, relative to a predetermined monetary unit, the value of each financial certificate is made to increase over time.

48. The system of claim 46 wherein the second means comprises a mutual funds organization.

49. The system of claim 46 wherein the first means, the second means, and the third means are elements of a profit-producing organization.

50. A system comprising:

first means operative, in exchange for values received, to issue non-redeemable financial certificates to various individual entities; each of these individual entities becoming a holder of such a financial certificate; each financial certificate bearing a unique identification code;

second means functionally connected with the first means and operative to utilize the values received such as in effect to derive profits therefrom; at least part of these profits being utilized by the second means in such manner as to generate yet additional profits; and

third means functionally connected with the first and the second means; the third means being operative:

(a) from time-to-time to receive funds derived from the profits,

(b) to keep record of the unique identification code of each of the issued financial certificates, and

(c) from time-to-time to: (i) make a random choice of one of the recorded identification codes; (ii) accredit an amount of funds to the holder of the financial certificate bearing the randomly chosen identification code; (iii) inform the various individual entities of the chosen identification code; and (iv) effectively transfer possession of said amount of funds to the holder of the financial certificate bearing the chosen identification code;

the system being made to function such as to cause said amount of funds to increase with time.

51. The system of claim 50 wherein said random choice is made periodically.

52. A system comprising:

first means operative, in exchange for values received, to issue proofs of ownership to various individual entities; each of these individual entities becoming a holder of such a proof of ownership; each proof of ownership being identified by a unique identification code;

second means functionally connected with the first means and operative to invest at least part of the values received in income-yielding financial instruments, thereby to derive financial income therefrom; and

third means functionally connected with the first and the second means; the third means being operative:

(a) from time-to-time to receive funds derived from said financial income,

(b) to keep record of the unique identification code of each of the issued proofs of ownership, and

(c) from time-to-time to: (i) make a random choice of one of the recorded identification codes; (ii) accredit an amount of funds to the holder of the proof of ownership bearing the randomly chosen identification code; (iii) inform the various individual entities of the chosen identification code; and (iv) effectively transfer possession of said amount of funds to the holder of the proof of ownership bearing the chosen identification code.

53. The system of claim 52 further characterized by functioning such as to cause said amount of funds to increase with time.

54. The system of claim 52 further characterized by functioning such as to cause at least part of the financial income to be utilized by the second means in such manner as to generate yet additional financial income.

55. The system of claim 52 wherein each of at least part of said proofs of ownership constitutes a financial certificate manifestly providing for a space in which the holder thereof may place his signature.

56. The system of claim 52 wherein said proofs of ownership are non-redeemable.

57. The system of claim 52 wherein said financial instruments include shares of corporate capital stock, government and/or corporate bonds, and/or shares in mutual funds.

58. An arrangement comprising:

first means operative, in exchange for values received, to issue a certificate of ownership to each of various individual entities; each of these various individual entities becoming a holder of such a certificate of ownership; each certificate of ownership bearing a unique identification code;

second means functionally connected with the first means and operative to invest a substantial part of the values received in income-producing financial instruments such as to obtain therefrom a stream of financial profits; and

third means functionally connected with the first and second means; the third means being operative to receive funds derived from the stream of financial profits, to keep a record of the unique identification code of each of the issued certificates of ownership, and repeatedly, each time after a certain time period, to: (i) choose at random a number of the recorded identification codes; (ii) accredit an amount of funds to the holder(s) of the certificate(s) of ownership bearing the chosen identification code(s); (iii) inform the various individual entities of the chosen identification code(s); and (iv) allocate said amount of funds to the holder(s) of the certificate(s) of ownership bearing the chosen identification code(s).

59. The arrangement of claim 58 further characterized by being functional to cause said amount of funds to be substantially proportional to the amount of financial profits cumulated during the certain time period.

60. The arrangement of claim 58 wherein, to a substantial degree, the financial profits include dividends and/or interest payments derived from said income-producing financial instruments.

61. The arrangement of claim 58 wherein, to a substantial degree, the income-producing financial instruments include shares in one or more mutual funds.

62. The arrangement of claim 58 wherein said amount of funds is caused to increase over time.

63. The arrangement of claim 58 wherein the functions performed by said first, second and third means are made to continue for an indefinite non-limited period of time.

64. An arrangement comprising:

first means operative, in exchange for monetary values received, to assign a proof of ownership to each of various individual entities; each of these various individual entities becoming a holder of such a proof of ownership; each proof of ownership being identified via a unique identification code;

second means functionally connected with the first means and operative to invest in financial instruments at least a substantial part of the total monetary values received from the various individual entities, thereby to form a pool of financial instruments; the pool being operative to generate financial income; and

third means functionally connected with the first and the second means; the third means being operative to receive funds derived from the financial income, to maintain a record of the unique identification code of each of the assigned proofs of ownership, and to: (i) choose at random a number of the recorded identification codes; (ii) accredit an amount of funds to each of the holder(s) of the proof(s) of ownership bearing the chosen identification code(s); (iii) inform the various individual entities of the chosen identification code(s); and (iv) allocate said amount of funds to the holder(s) of the proof(s) of ownership bearing the chosen identification code(s).

65. The arrangement of claim 64 wherein: (i) the financial instruments include stocks and/or bonds; and (ii) at least part of the financial income results from dividends and/or interest derived from said stocks and/or bonds.

66. An arrangement comprising:

first means operative, in exchange for a certain amount of currency received, to issue a bearer's certificate to each of various individual entities; each of these various individual entities becoming a holder of such a bearer's certificate; and

second means functionally connected with the first means and operative to invest in financial instruments at least a substantial part of the total amount of monetary currency received from the various individual entities, thereby to form a pool of financial instruments; each of said bearer's certificates representing ownership of a portion of said pool of financial instruments; the second means being operative, by way of financial income derived from the financial instruments, to cause the monetary value of each such bearer's certificate to increase over time.

67. The arrangement of claim 66 wherein each bearer certificate is identified by way of a unique identification code.

68. The arrangement of claim 67 additionally comprising:

third means functionally connected with the first and the second means; the third means being operative to: (a) receive funds derived from the financial income; (b) maintain a record of the unique identification code of each of the bearer's certificates; (c) choose at random at least one of the recorded identification codes; (d) accredit an amount of funds to the the bearer's certificate having the chosen identification code; (e) provide information to holders of bearer's certificates with respect to the chosen identification code; and (f) deliver, upon demand, said amount of funds to the holder of the bearer's certificate having the chosen identification code.

69. An arrangement comprising:

first means operative, in exchange for a certain amount of monetary currency received, to assign a proof of ownership to each of various individual entities; each of these various individual entities becoming a holder of such a proof of ownership;

each proof of ownership being identified by way of a unique identification code;

second means functionally connected with the first means and operative to invest in financial instruments at least a substantial part of the total amount of monetary currency received from the various individual entities, thereby to form a pool of financial instruments; each of said proofs of ownership representing ownership of a portion of said pool of financial instruments; the second means being operative, by way of deriving financial income from the financial instruments, to cause the monetary value of each such portion to increase over time; and

third means functionally connected with the first and the second means; the third means being operative to receive funds derived from the financial income, to maintain a record of the unique identification code of each of the assigned proofs of ownership, and repeatedly to: (i) choose at random a number of the recorded identification codes; (ii) accredit an amount of funds to each of the holder(s) of the proof(s) of ownership bearing the chosen identification code(s); (iii) inform the various individual entities of the chosen identification code(s); and (iv) allocate said amount of funds to the holder(s) of the proof(s) of ownership bearing the chosen identification code(s).

70. A financial services system comprising:

first means operative to issue to each of a number of individual entities a financial certificate in exchange for an amount of dollar-equivalent value; the financial certificate being identified by a unique identification code; each individual entity becoming a holder of a financial certificate;

second means functionally connected with the first means and operative to receive from the first means the dollar-equivalent values having been received by the first means in exchange for issued financial certificates, and to accumulate the received dollar-equivalent values into a pool of dollar-equivalent funds; each financial certificate signifying ownership of a certain part of this pool of dollar-equivalent funds; the second means being operative to invest at least a significant part of the pool of

dollar-equivalent funds in various income-producing financial instruments, thereby to give rise to a flow of dollar-equivalent income; at least a substantial part of the flow of dollar-equivalent income being added to the pool of dollar-equivalent funds, thereby to cause this pool to grow in total dollar-equivalent value over time, thereby as well to cause the dollar-equivalent value of each financial certificate to grow over time; and

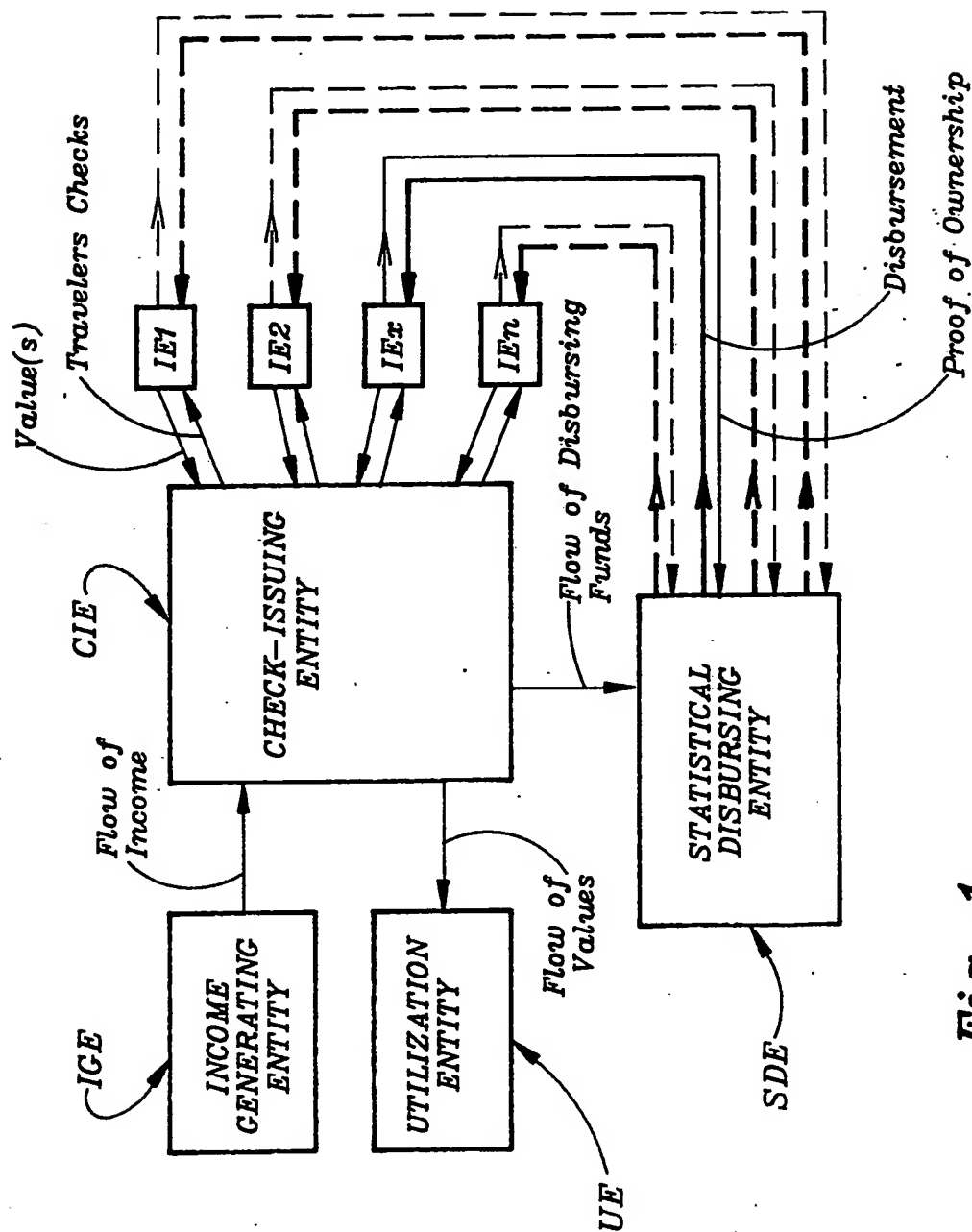
third means functionally connected with the second means and operative at a given time, upon demand and in exchange for a financial certificate, to transfer to the holder of this financial certificate the amount of dollar-equivalent value represented by this financial certificate at that given time;

whereby the financial certificates will be backed by income-producing values and will therefore increase in dollar-equivalent value over time.

71. The financial services system of claim 70 combined with a fourth means functionally connected with the second means and operative periodically: (i) to randomly select one of the unique identification codes; and (ii) to credit to the holder of the particular financial certificate bearing the chosen identification code an amount of dollar-equivalent value.

72. The financial services system of claim 71 wherein: (i) the random selection of one of the unique identification codes occurs repeatedly, with a certain time-interval between each occurrence; and (ii) said amount of dollar-equivalent value represents not more than the dollar-equivalent income generated by the pool of dollar-equivalent funds during the certain time-interval.

1 / 3

Fig. 1

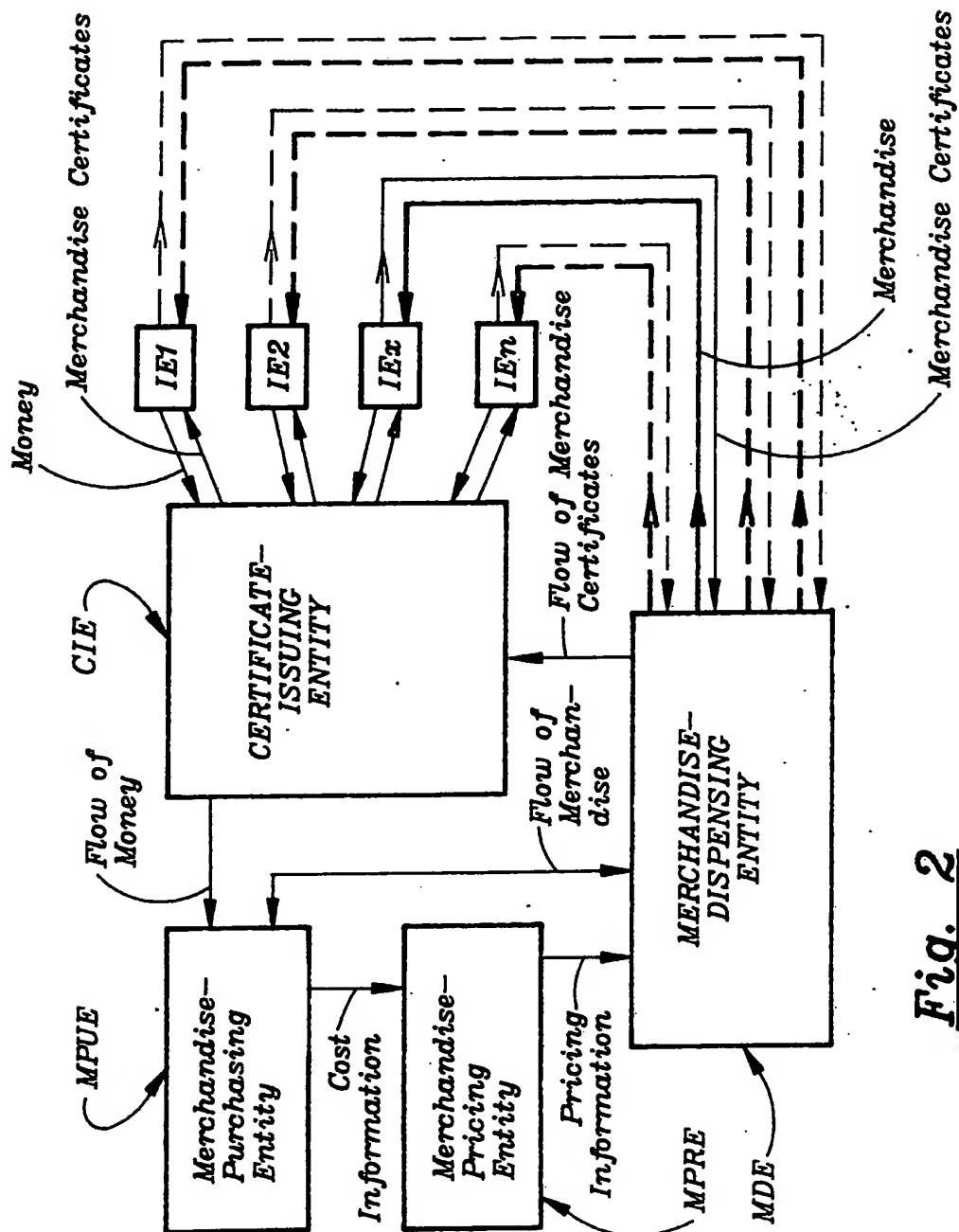


Fig. 2

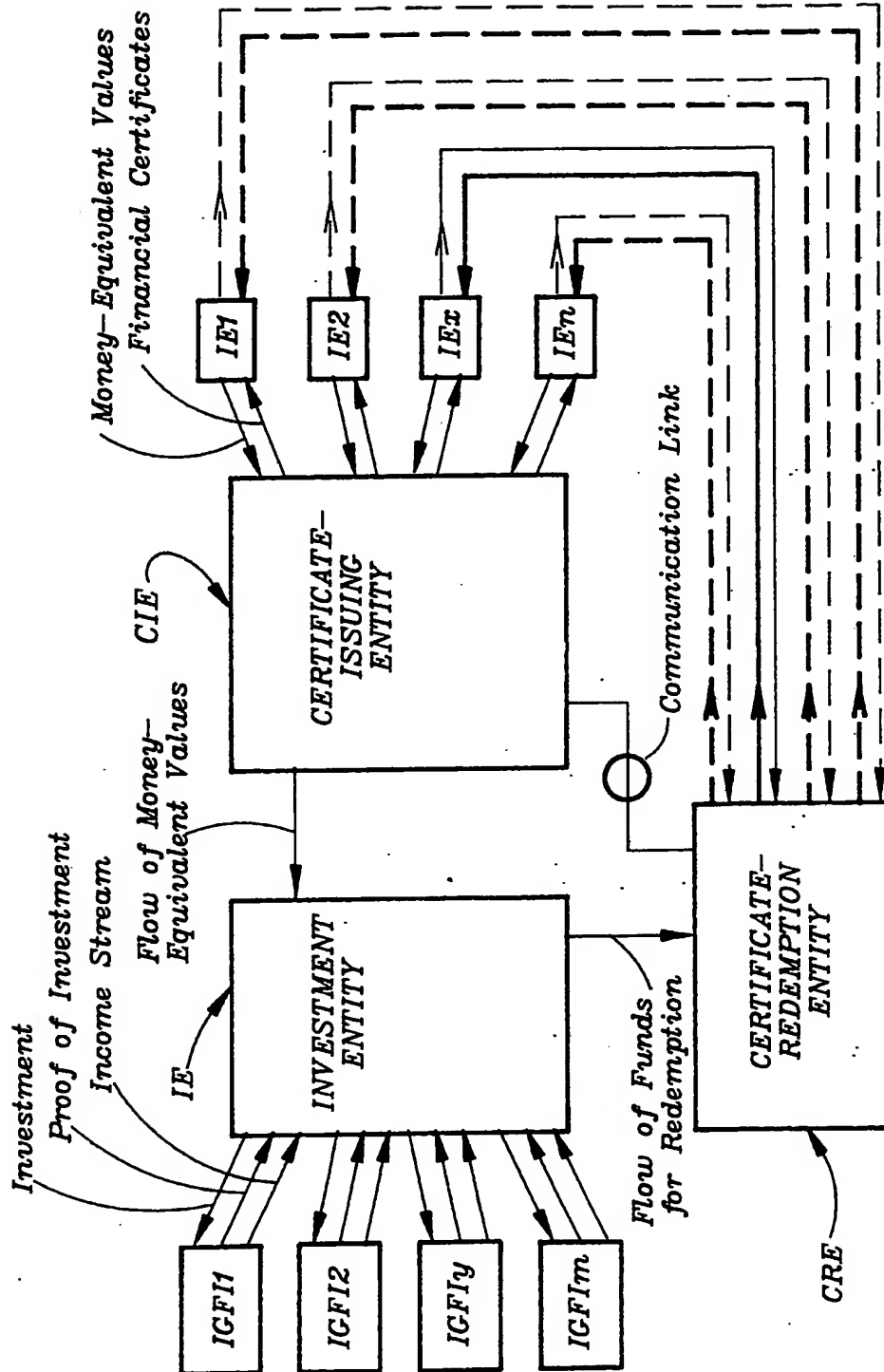
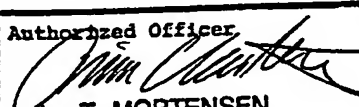


Fig. 3

PATENT COOPERATION TREATY

DECLARATION OF NON-ESTABLISHMENT OF INTERNATIONAL SEARCH REPORT

issued pursuant to PCT Article 17(2)(a) ⁽¹⁾

IDENTIFICATION OF THE INTERNATIONAL APPLICATION	APPLICANT'S OR AGENT'S FILE REFERENCE 537,141		
International Application No. PCT/US 91/00975	International Filing Date 13th February 1991		
Receiving Office RO/US	Priority Date Claimed 13th June 1990		
<table style="width: 100%;"> <tr> <td style="width: 40%;"> Applicant (Name) NILSSEN, OLE K. </td> <td style="width: 60%;"> title modified: financial services system. classification: G 07 C 15/00 </td> </tr> </table>		Applicant (Name) NILSSEN, OLE K.	title modified: financial services system. classification: G 07 C 15/00
Applicant (Name) NILSSEN, OLE K.	title modified: financial services system. classification: G 07 C 15/00		
DECLARATION			
<p>This International Searching Authority hereby declares that no international search report will be established on the above-identified international application for the reasons indicated below. ⁽¹⁾</p> <p>1. The subject matter of the international application relates to: ⁽²⁾</p> <ul style="list-style-type: none"> a. <input type="checkbox"/> scientific theories. b. <input type="checkbox"/> mathematical theories. c. <input type="checkbox"/> plant varieties. d. <input type="checkbox"/> animal varieties. e. <input type="checkbox"/> essentially biological processes for the production of plants and animals, other than microbiological processes and the products of such processes. f. <input checked="" type="checkbox"/> schemes, rules or methods of doing business. g. <input type="checkbox"/> schemes, rules or methods of performing purely mental acts. h. <input type="checkbox"/> schemes, rules or methods of playing games. i. <input type="checkbox"/> methods for treatment of the human body by surgery or therapy. j. <input type="checkbox"/> methods for treatment of the animal body by surgery or therapy. k. <input type="checkbox"/> diagnostic methods. l. <input type="checkbox"/> mere presentations of information. m. <input type="checkbox"/> computer programs for which this International Searching Authority is not equipped to search prior art. <p>2. The failure of the following parts of the international application to comply with prescribed requirements prevents a meaningful search from being carried out: ⁽³⁾</p> <ul style="list-style-type: none"> a. <input type="checkbox"/> the description. b. <input checked="" type="checkbox"/> the claims. c. <input type="checkbox"/> the drawings. <p>comment: See PCT article 17(2)(a)(i) and PCT Rule 39.1(iii)</p>			
CERTIFICATION			
International Searching Authority ISA / EP	Date of Mailing 22.05.91	Authorized Officer  MISS T. MORTENSEN	